GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR
LOK SABHA

UNSTARRED QUESTION NO:4647
ANSWERED ON:18.04.2001
SPECIAL PACKAGE FOR SSI
THAAWAR CHAND GEHLOT

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR be pleased to state:

(a) whether the Prime Minister has announced any special package for the small scale industries recently;

(b) if so, the details thereof;

(c) the steps initiated by the Government for implementation of the said package;

(d) the manner in which SSIs are likely to be benefited therefrom; and

(e) the number of States likely to be covered under the said package?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGF RURAL INDUSTRIES (SMT. VASUNDHARA RAJE)

(a) & (b): Hon`ble Prime Minister had announced a Comprehensive Policy Package on 30th August, 2000 to strengthen the small scale sector and enhance its competitiveness both domestically and globally. The policy package inter-alia includes fiscal incentives, easier access to credit, availability of collateral free composite loans upto Rs. 25 lakhs, capital subsidy for technology upgradation and improved infrastructure.

(c): A number of steps have been taken towards implementation of the package. These include enhancement of excise exemption limit, capital subsidy of 12% for technology upgradation, increase in investment limit in respect of industry related service and business enterprises, enhancement of limit of collateral free composite loans; extension of Integrated Infrastructural Development Scheme to all areas, enhancement of limit of funding under the National Equity Fund Scheme of SIDBI from Rs. 25 lakhs to Rs. 50 lakhs etc.

(d): The package will help enhance competitiveness of the small scale sector and equip it to meet the challenges of liberalisation and globalisation.

(e): The policy package is applicable for the country as a whole.